farmer deliveries that shall not be producer milk. If the handler fails to make such designation, milk diverted on the last day of the month, then the next-to-last day of the month, and so on, shall be excluded until such exclusions cover the excess quantity; and

(e) Milk diverted pursuant to paragraph (c) or (d) of this section shall be priced at the location of the plant to which diverted.

[53 FR 10059, Mar. 29, 1988]

§1032.14 Other source milk.

Other source milk means all skim milk and butterfat contained in or represented by:

- (a) Receipts of fluid milk products and bulk products specified in §1032.40 (b)(1) from any source other than producers, handlers described in §1032.9(c), or pool plants;
- (b) Receipts in packaged form from other plants of products specified in §1032.40(b)(1):
- (c) Products (other than fluid milk products, products specified in §1032.40(b)(1), and products produced at the plant during the same month) from any source which are reprocessed, converted into, or combined with another product in the plant during the month; and
- (d) Receipts of any milk product (other than a fluid milk product or a product specified in §1032.40(b)(1)) for which the handler fails to establish a disposition.

$\S 1032.15$ Fluid milk product.

- (a) Except as provided in paragraph (b) of this section *fluid milk product* means any milk products in fluid or frozen form containing less than 9 percent butterfat, that are in bulk or are packaged, distributed and intended to be used as beverages. Such products include, but are not limited to: Milk, skim milk, lowfat milk, milk drinks, buttermilk, and filled milk, including any such beverage products that are flavored, cultured, modified with added nonfat milk solids, sterilized, concentrated (to not more than 50 percent total milk solids), or reconstituted.
- (b) The term *fluid milk product* shall not include:
- (1) Plain or sweetened evaporated milk, plain or sweetened evaporated

skim milk, sweetened condensed milk or skim milk, formulas especially prepared for infant feeding or dietary use that are packaged in hermetically sealed containers, any product that contains by weight less than 6.5 percent nonfat milk solids, and whey; and

(2) The quantity of skim milk in any modified product specified in paragraph (a) of this section that is in excess of the quantity of skim milk in an equal volume of an unmodified product of the same nature and butterfat content.

[58 FR 27811, May 11, 1993]

§1032.16 Fluid cream product.

Fluid cream product means cream (other than plastic cream or frozen cream), including sterilized cream, or a mixture of cream and milk or skim milk containing 9 percent or more butterfat, with or without the addition of other ingredients.

[58 FR 27811, May 11, 1993]

§ 1032.17 Filled milk.

Filled milk means any combination of nonmilk fat (or oil) with skim milk (whether fresh, cultured, reconstituted, or modified by the addition of nonfat milk solids), with or without milkfat, so that the product (including stabilizers, emulsifiers, or flavoring) resembles milk or any other fluid milk product, and contains less than 6 percent nonmilk fat (or oil).

§ 1032.18 Cooperative association.

Cooperative association means any cooperative marketing association of producers which the Secretary determines:

- (a) To be qualified under the provisions of the Act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act"; and
- (b) To be engaged in making collective sales, or marketing milk or its products for its members.

§ 1032.19 Commercial food processing establishment.

Commercial food processing establishment means any facility other than a milk or filled milk plant, to which bulk fluid milk products and bulk fluid

§ 1032.30

cream products are disposed of, or producer milk is diverted, that uses such receipts as ingredients in food products and has no disposition of fluid milk products or fluid cream products other than those received in consumer-type packages. Producer milk diverted to commercial food processing establishments shall be subject to the same provisions relating to diversions to plants, including but not limited to, provisions in §§ 1032.13, 1032.41 and 1032.52.

[58 FR 27811, May 11, 1993]

HANDLER REPORTS

§1032.30 Reports of receipts and utilization.

On or before the 7th day after the end of each month, each handler shall report for such month to the market administrator, in the detail and on the forms prescribed by the market administrator, as follows:

- (a) Each handler, with respect to each of his pool plants, shall report the quantities of skim milk and butterfat contained in or represented by:
- (1) Receipts of producer milk, including producer milk diverted by the handler from the pool plant to other plants;
- (2) Receipts of milk from handlers described in § 1032.9(c);
- (3) Receipts of fluid milk products and bulk fluid cream products from other pool plants;
 - (4) Receipts of other source milk;
- (5) Inventories at the beginning and end of the month of fluid milk products and products specified in \$1032.40(b)(1); and
- (6) The utilization or disposition of all milk, filled milk, and milk products required to be reported pursuant to this paragraph.
- (b) Each handler operating a partially regulated distributing plant shall report with respect to such plant in the same manner as prescribed for reports required by paragraph (a) of this section. Receipts of milk that would have been producer milk if the plant had been fully regulated shall be reported in lieu of producer milk. Such report shall show also the quantity of any reconstituted skim milk in route disposition in the marketing area.

- (c) Each handler described in §1032.9(b) and (c) shall report:
- (1) The quantities of all skim milk and butterfat contained in receipts of milk from producers; and
- (2) The utilization or disposition of all such receipts.
- (d) Each handler not specified in paragraphs (a) through (c) of this section shall report with respect to his receipts and utilization of milk, filled milk, and milk products in such manner as the market administrator may prescribe.

§1032.31 Payroll reports.

- (a) On or before the 20th day after the end of each month, each handler described in §1032.9(a), (b), and (c) shall report to the market administrator his producer payroll for such month, in the detail prescribed by the market administrator, showing for each producer:
 - (1) His name and address;
- (2) The total pounds of milk received from such producer;
- (3) The average butterfat content of such milk; and
- (4) The price per hundredweight, the gross amount due, the amount and nature of any deductions, and the net amount paid.
- (b) Each handler operating a partially regulated distributing plant who elects to make payment pursuant to §1032.76(b) shall report for each dairy farmer who would have been a producer if the plant had been fully regulated in the same manner as prescribed for reports required by paragraph (a) of this section.

§ 1032.32 Other reports.

In addition to the reports required pursuant to §§1032.30 and 1032.31, each handler shall report such other information as the market administrator deems necessary to verify or establish such handler's obligation under the order.

CLASSIFICATION OF MILK

§ 1032.40 Classes of utilization.

Except as provided in §1032.42, all skim milk and butterfat required to be reported by a handler pursuant to §1032.30 shall be classified as follows: